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U.S. And Vietnam Arrive at an Agreement in Principle

U.S. Trade Representative Charlene Barshefsky today announced that negotiators for the United States and Vietnam have arrived at an agreement in principle on the terms of a bilateral trade agreement.

“This agreement in principle, reached between Deputy USTR Richard Fisher and Vietnam’s Deputy Prime Minister Nguyen Than Dung and Trade Minister Truong Dinh Tuyen, is an important step forward, addressing a number of concerns across the range of trade issues,” said Ambassador Barshefsky. “We will now consult with Congress and others, and work toward completion of a formal Bilateral Commercial Agreement and a mutual grant of Normal Trade Relations.”

American negotiators have been working toward such an agreement with Vietnam for over three years. Today’s understanding marks Vietnam’s agreement in principle to address import quotas, import bans, and high tariffs as well restrictions on financial services, telecommunications, distribution, and other matters relevant to access to the Vietnamese markets of U.S. goods, services, agriculture, and intellectual property rights. Vietnam also agreed to a series of measures to ensure transparency in rules and regulations effecting trade.

“In this understanding, we have taken a major step forward,” said Ambassador Barshefsky. “We will be working with the Vietnamese to complete this effort.”

Once an agreement is finalized, it will be formally submitted to Congress. Congress would have to approve the agreement by Joint Resolution, after which the President would then be able to make effective Normal Trade Relations with Vietnam. This would be subject to annual renewal under the Jackson-Vanik Amendment.

Coupled with approval of Normal Trade Relations for Laos, this would mark full U.S. economic re-engagement with Indochina, as the U.S. has already reached commercial agreements with Cambodia and Laos, and granted Cambodia NTR.